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FISCAL IMPACT STATEMENT

LS 7003

BILL NUMBER: HB 1334

NOTE PREPARED: Jan 26, 2010

BILL AMENDED:

SUBJECT: Home Ownership Education Account.

FIRST AUTHOR: Rep. Bardon

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill requires that fees and funds accruing from the administration of the Indiana Securities Act (IC 23-19) and other statutes must be deposited in the Home Ownership Education Account. It abolishes the Securities Division Enforcement Account, and it makes conforming amendments.

Effective Date: July 1, 2010.

Explanation of State Expenditures: *Securities Division:* This bill will impact the expenditures of the Securities Division. The Securities Division uses the Securities Division Enforcement Account to provide additional funds for investigations and to fund administrative expenses. In FY 2009, the Securities Division used about \$1.3 M from this fund for expenses. Abolishing the account will impact the Securities Division because they will no longer have access to this funding source.

Explanation of State Revenues: (Revised) *Home Ownership Education Account:* This bill deposits the fees and funds accruing from the Indiana Securities Act into the Home Ownership Education Account. This provision would affect the state General Fund because fees that currently would be reverted to the General Fund would be redirected to the Home Ownership Education Account under this bill. The bill also abolishes the Securities Division Enforcement Account and deposits all other fees and funds that would be deposited into the Securities Division Enforcement Account into the Home Ownership Education Account.

(Revised) **Background Information** - The Home Ownership Education Account is administered by the Indiana Housing and Community Development Authority (IHCDA), and the Securities Division Enforcement Account is administered by the Secretary of State. Revenues received for FY 2006 through FY 2009 are

provided below for both accounts, as well as the fees reverted to the General Fund from the administration of the Indiana Securities Act.

Fiscal Year	Home Ownership Education Account	Securities Division Enforcement Account	Fees Reverted to General Fund from Indiana Securities Act
FY 2006	\$145,922	\$837,374	\$5.6 M
FY 2007	\$0	\$523,649	\$6.0 M
FY 2008	\$0	\$64,327	\$6.2 M
FY 2009	\$892	\$2.5 M	\$6.4 M

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: IHCDA; Secretary of State.

Local Agencies Affected:

Information Sources: Auditor's Data; Securities Division, Secretary of State.

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